

**MINUTES OF THE
CALIFORNIA INFRASTRUCTURE AND
ECONOMIC DEVELOPMENT BANK**

For the meeting held on

Tuesday, February 27, 2007
1001 I Street - Second Floor
Training Rooms 2 East and West
Sacramento, California 95814

Chairman Edward G. Heidig called the meeting of the California Infrastructure and Economic Development Bank (I-Bank) Board to order at approximately 1:35 p.m.

1. Call To Order and Roll Call.

Edward Heidig represented the Acting Secretary of the Business, Transportation and Housing Agency.

Paul Rosenstiel and Francisco Lujano represented the State Treasurer.

Rosario Marin, Secretary of the State and Consumer Services Agency was present.

Steve Kessler represented the Director of the Department of Finance.

D. Everett Rice, Governor's appointee, was present

2. Executive Director's Report.

Executive Director Stan Hazelroth updated the Board on the I-Bank's various activities for the past month including speaking at a CAL-ALHFA conference, and that he and members of the I-Bank staff conducted a site visit to the Orange County Performing Arts Center on February 16, 2007. Mr. Hazelroth also informed the board that the I-Bank will price 501(c)(3) revenue bonds in the amount of \$20.1 million on behalf of the India Community Center (ICC) on March 21st, with the sale scheduled to close the following day.

Consent Items:

3. Approve minutes from the meetings held on January 23 and February 9, 2007.

Chairman Heidig asked if there were any corrections or additions to the minutes. There being none, he entertained a motion to approve the consent item. Ms. Marin moved to approve the minutes and Mr. Rice seconded the motion. The Board unanimously approved the minutes.

Closed Session:

4. The Board of the California Infrastructure and Economic Development Bank will meet in closed session, pursuant to Government Code section 11126(e)(2)(A), to discuss the following litigation: Hollywood Park Land Company, LLC v. Golden State Transportation Financing Corporation (Superior Court of California, County

of Sacramento) and California Commerce Casino, Inc. v. Arnold Schwarzenegger (Superior Court of California, County of Los Angeles).

At 1:45 p.m., Chairman Heidig adjourned the public session of the I-Bank Board. The Board moved to an adjacent conference room to convene the closed session. During the closed session, Francisco Lujano replaced Paul Rosenstiel as the Treasurer's representative.

At approximately 2:25 p.m., Chairman Heidig reconvened the public session of the I-Bank Board.

Chairman Heidig had received a request and proceeded to take the action items in reverse order in order to accommodate schedules.

Action Items:

- 6. Adopt resolution approving the sale, issuance and delivery of 501(c)(3) revenue bonds for the Orange County Performing Arts Center, or a related party (Costa Mesa) for an amount not to exceed \$95,000,000.**

Ms. Barbara Lewis presented a staff report and introduced Mr. Brian Finck, Chief Financial Officer, Orange County Performing Arts Center and Mr. Doug Brown, Underwriter, Banc of America Securities LLC. Chairman Heidig asked for any questions or comments from those present and from the Board; there were none. Chairman Heidig entertained a motion to approve Resolution No. 07- 05. Ms. Marin moved to approve the resolution and Mr. Lujano seconded the motion. The Board unanimously approved the resolution.

- 5. Adopt resolution approving the sale, issuance and delivery of 501(c)(3) revenue bonds for the Brentwood School, or a related party (Los Angeles) for an amount not to exceed \$19,000,000.**

Ms. Barbara Lewis presented a staff report, and stated that the final financing amount requested was reduced to not to exceed \$16 million due to a last minute change in the project, and introduced Mr. Marc Gamsin, Treasurer, Board of Trustees, Brentwood School. Chairman Heidig asked for any questions or comments from those present and from the Board; there were none. Chairman Heidig entertained a motion to approve Resolution No. 07- 04. Ms. Marin moved to approve the resolution and Mr. Lujano seconded the motion. The Board unanimously approved the resolution.

Other Business.

Chairman Heidig called for any other business. Ms. Marin expressed a desire to see a listing of bonds issued by the I-Bank, including information regarding the geographic locations of the projects. She also requested to be informed of current bond outreach efforts, including to those

nonprofit businesses that serve low-income populations. Mr. Hazelroth replied that he would have staff put the information together promptly. There was no further business introduced.

Public Comment.

Chairman Heidig called for any public comment. There was no public comment.

Adjournment.

Chairman Heidig adjourned the meeting at approximately 2:40 p.m.